

## NOTICE OF INTENT

### Department of Revenue Policy Services Division

#### Offset of Individual Income Tax Refunds Against Debts Owed Certain Persons (LAC 61:I.1306)

Under the authority of R.S. 47:299.34 and 47:1511 and in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., the Department of Revenue, Policy Services Division, proposes to adopt LAC 61:I.1306 relative to the offset of individual income tax refunds against debts owed certain persons.

Revised Statute 47:299.31 et seq. permits certain persons owed child support to make a claim against any income tax refund due to an individual who has failed to provide child support payments required by an order and against whom a judgment has been rendered. The secretary is authorized by R.S. 47:299.34 to establish a reasonable and efficient system for permitting a claim of offset by a claimant. This proposed rule provides the requirements for submitting offset claims including the information that must be submitted, the time limits for submitting claims, and the method of making remittances to the claimant.

#### Title 61

#### REVENUE AND TAXATION

#### Part I. Taxes Collected and Administered by the Secretary of Revenue

#### Chapter 13. Income: Personal

#### §1306. Offset of Individual Income Tax Refunds Against Debts Owed Certain Persons

A. The claimant must submit a written offset claim with a certified copy of the judgment that makes past-due payments under a child-support award executory. The claim must be submitted before participation in the program and by December 1 each year thereafter. After the first year of participation, a copy of the claim and judgment can be submitted if the information requested in Subsection B has not changed.

B. For each offset claim, the claimant must provide the following information:

1. the name of the debtor;
2. the amount of offset claimed;
3. the social security number of the debtor;
4. the most current address of the debtor available to the claimant; and

5. any additional information requested that will facilitate identification of the debtor and processing of the offset claim.

C. Remittances will be made to the claimant within three months after the debtor has waived the right to contest the offset or final disposition by the claimant or by a court.

D. A fee for processing the claim will be withheld from each refund issued.

AUTHORITY NOTE: Promulgated in accordance with R.S. 47:299.34.

HISTORICAL NOTE: Promulgated by the Louisiana Department of Revenue, LR 29:

#### Family Impact Statement

1. The effect on the stability of the family. Implementation of this proposed Rule will have no effect on the stability of the family.

2. The effect on the authority and rights of parents regarding the education and supervision of their children. Implementation of this proposed Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The effect on the functioning of the family. Implementation of this proposed Rule will have no effect on the functioning of the family.

4. The effect on family earnings and family budget. Implementation of this proposed Rule will have no effect on family earnings and family budget.

5. The effect on the behavior and personal responsibility of children. Implementation of this proposed Rule will have no effect on the behavior and personal responsibility of children.

6. The ability of the family or a local government to perform the function as contained in the proposed Rule. Implementation of this proposed Rule will have no effect on the ability of the family or a local government to perform this function.

Any interested person may submit written data, views, arguments or comments regarding this proposed rule to Michael D. Pearson, Senior Policy Consultant, Policy Services Division, Office of Legal Affairs by mail to P.O. Box 15409, Baton Rouge, LA 70895-5409 or by fax to 225-219-2759. All comments must be received no later than 4:30 p.m., November 25, 2002. A public hearing will be held on Tuesday November 26, 2002 at 9 a.m. in the River Room on the seventh floor of the LaSalle Building, 617 North Third Street, Baton Rouge, Louisiana 70802.

Cynthia Bridges  
Secretary

#### FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

#### RULE TITLE: Offset of Individual Income Tax Refunds Against Debts Owed Certain Persons

#### I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

The implementation of this proposed regulation, which provides the requirements for submitting offset claims including the information that must be submitted, the time limits for submitting claims, and the method of making remittances to the claimant, will have no impact on the agency's costs.

Implementation of this proposed regulation would have no impact upon any local governmental units.

#### II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There should be no impact on state or local revenue collections as a result of this proposed regulation.

#### III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

This proposed regulation establishes a reasonable and efficient system for permitting a claim of offset by a claimant. There should be no costs or economic benefits that directly affect persons or non-governmental groups as a result of this proposed regulation.

#### IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

This proposed regulation should have no effect on competition or employment.

Cynthia Bridges

H. Gordon Monk

Secretary  
0210#078

Staff Director  
Legislative Fiscal Office